

FISCAL NOTE

Bill #: HB0348 **Title:** Commission to reorganize executive agencies
Primary Sponsor: Wanzenried, D **Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
-------------------	------	---------------------------------	------

Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	\$299,435	\$181,965
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	(\$299,435)	(\$181,965)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Governor's Office

1. The Executive Branch Reorganization Commission will be in existence all of FY 2004 and half of FY 2005.
2. Four staff will be required: 1.00 FTE executive director, 1.00 FTE support staff, and 2.00 FTE professional staff. Salary of the executive director would be Cabinet-level and personal services would total about \$235,000 in FY 2004 and \$117,000 in FY 2005.
3. It is anticipated that outside legal counsel will be retained to review and draft legislation rather than hiring an attorney for such a short period of time, but at some point the cost of contracting may exceed the cost of hiring. Since the bill requires extensive cooperation between the Legislative and Executive branches, if Legislative staff attorneys are available to assist in drafting legislation, the projected cost for legal counsel of \$15,000 in FY 2004 and \$40,000 in FY 2005 could be reduced somewhat.
4. The eight legislators on the commission would be eligible for reimbursed expenses in accordance with 5-2-301 and 5-2-302, MCA. Quarterly two-day meetings are projected at a cost of \$76.80 per day plus benefits and travel for a total of \$12,300 in FY 2004 and \$6,100 in FY 2005.
5. In addition to contract legal counsel in assumption # 2, other operating expenses include office furnishings, PCs and supplies, telephone and postage, data network, photocopying and printing, travel and rent at approximately \$43,780 in FY 2004 and \$21,640.

Fiscal Note Request HB0348, As Introduced

(continued)

6. Costs are based partly on the experience of The Governor's Task Force to Renew Montana Government that was organized by Governor Marc Racicot and reported its final recommendations in a 1994 report, "Preparing for a New Century."

Legislative Branch

7. Because the commission is attached to the Office of the Governor for administrative purposes, legislative members of the commission will be compensated and reimbursed by the Office of the Governor.
8. HB 348 will have no fiscal impact on the Legislative Branch.

FISCAL IMPACT:

Governor's Office	FY 2004	FY 2005
	<u>Difference</u>	<u>Difference</u>
FTE	4.00	2.00
<u>Expenditures:</u>		
Personal Services	\$240,655	\$120,325
Operating Expenses	<u>58,780</u>	<u>61,640</u>
TOTAL	\$299,435	\$181,965
<u>Funding of Expenditures:</u>		
General Fund (01)	\$299,435	\$181,965
<u>Revenues:</u>	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$299,435)	(\$181,965)

TECHNICAL NOTES:

1. Since the bill provides the commission to end on January 1, 2005, if the commission or a part thereof were needed at the 2005 legislative session to explain legislation arising from its deliberations, the FY 2005 cost would increase slightly.